We Claim:

1. A method for modulating electromagnetic waves comprising the steps of:

   modulating a carrier signal by varying the polarization of said electromagnetic wave.

2. The method of claim 1 wherein the step of varying the polarization includes the steps of:

   varying said polarization according to points defined by a Poincare sphere.

3. The method of claim 2 wherein said polarization states are limited to points on said Poincare Sphere which intersect the Cartesian coordinate axes.